Contract & Bond for Broadband Improvement
Contract

• Town-wide fiber network built by CCI
  • Town will own the total infrastructure (‘backbone’) – for which it is paying, with a minor contribution from CCI
  • Total cost for infrastructure is $918,500 (fiber cable + network hardware)
    • $896,375 from Harrisville (covers the un/underserved areas)
    • $22,125 from CCI contribution (covers the served areas)

• Subscriber FFTH (Fiber to the Home) Connections
  • Residence connection from nearest “Splice Connectors” on the backbone
  • First ~150’ subscriber connection CCI will pay – but will be flexible on a case-by-case basis
  • Connection box, Modem, Router, WiFi (if desired) will be owned by CCI

• CCI will operate the network
  • No throttling or data caps
  • Subscriber rates:
    • 15Mbps $62.95; 2yr promotion rate $37.99
    • 50Mbps $73.95; 2yr promotion rate $48.99
    • 100Mbps $85.95; 2yr promotion rate $60.99
    • 1Gbps $99.95; 2yr promotion rate $79.99
  • Infrastructure Build Recovery Fee
    • $10 per Subscriber-month
Bond

- Project Cost: $1,596,375
  - Harrisville Bond: $896,375 @ 3.0% for 20yrs. (correct contract amount, but example terms)
  - CCI contribution: $700,000 (by contract)
- Bond Debt service = $4,971 / month
- Infrastructure Build Recovery Fee used to pay town for infrastructure use
  - @ $10/ subscriber-month fee for CCI using Infrastructure (can’t exceed by contract)
    - break-even is 500 subscribers
    - Current CCI subscriber base ~ 455
  - Potential for 965 subscribers
  - i.e. Takeup rate for break-even is 500/965 = 52%
- If payments to the town from subscriber fees are insufficient to cover the debt service, CCI has guaranteed the total debt service (by contract)
  - Has an incentive to build the subscriber base quickly